

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 7/10/2012	(3) CONTACT/PHONE Jeff Werst, Design Division Manager (805) 781-5252	
(4) SUBJECT Submittal of bid opening report for Los Osos Wastewater Project, Collection System Areas B & C, Los Osos, CA, Contract No. 300448.08.01.BC. District 2.			
(5) RECOMMENDED ACTION In accordance with applicable State Law, it is our recommendation that your Honorable Board: <ol style="list-style-type: none"> <li>1. Award the subject contract to W.A. Rasic Construction Company, Inc., the lowest responsive bidder, with a bid of \$29,425,000.00; and</li> <li>2. Authorize a construction contingency amount up to \$2,942,500.00 to be utilized for change orders subject to and in accordance with the Project Construction Change Order Policy (Resolution No. 2012-82) approved by your Board on April 3, 2012 for a final total construction amount of \$32,367,500.00.</li> </ol>			
(6) FUNDING SOURCE(S) Fend Center 430	(7) CURRENT YEAR FINANCIAL IMPACT \$32,367,500.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)  19001173		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP  Attached	(15) BUSINESS IMPACT STATEMENT?  No	(16) AGENDA ITEM HISTORY  <input type="checkbox"/> N/A    Date _____	
(17) ADMINISTRATIVE OFFICE REVIEW  <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) District 2 -			

Reference: 12JUL10-C-9

## County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works

Jeff Werst, Design Division Manager

John Waddell, Los Osos Wastewater Project Manager

VIA: Dave Flynn, Deputy Director of Public Works

DATE: 7/10/2012

SUBJECT: Submittal of bid opening report for Los Osos Wastewater Project, Collection System Areas B & C, Los Osos, CA, Contract No. 300448.08.01.BC. District 2.

### **RECOMMENDATION**

In accordance with applicable State Law, it is our recommendation that your Honorable Board:

1. Award the subject contract to W.A. Rasic Construction Company, Inc., the lowest responsive bidder, with a bid of \$29,425,000.00; and
2. Authorize a construction contingency amount up to \$2,942,500.00 to be utilized for change orders subject to and in accordance with the Project Construction Change Order Policy (Resolution No. 2012-82) approved by your Board on April 3, 2012 for a final total construction amount of \$32,367,500.00.

### **DISCUSSION**

In accordance with direction from your Board, bids for the subject contract were opened on Thursday, June 14, 2012.

Five bids were received. They are as follows:

Engineer's Estimate	\$22,425,000.00
W.A. Rasic Construction Company, Inc.	\$29,425,000.00
Preston Pipelines	\$30,748,960.00
ARB, Inc.	\$36,300,385.00
Colich & Sons, L.P.	\$36,523,673.00
Vido Artukovich & Son, Inc.	\$39,343,034.00

We have reviewed the submittal from W.A. Rasic Construction Company, Inc. and verified that they are the lowest responsive bidder. The low bid came in 31.2% above the Engineer's Estimate. The bid amount is, however, within the amount established in the project budget for this and other work associated with the Project's collection system.

## Project Background Information

The Los Osos Wastewater Project Collection System design was completed by Camp Dresser and McKee (CDM) and the plans and specifications for the Areas B & C contract were released for bidding on April 24, 2012 based on your Board's approval. Bids on the contract were opened on June 14, 2012 and subsequently reviewed by the Public Works Department. The criteria for evaluation of the bids by Public Works is provided in Article 19 of Section 00200 of the bidding documents and includes (a) checking the bid forms for errors, (b) determining whether or not the bids comply with the requirements for submitting bids, and (c) determining whether or not the bids are nonconforming, nonresponsive, unbalanced, or conditional. In reviewing the bid received by the apparent low bidder, W.A. Rasic Construction Company, Inc., Public Works found no irregularities and has determined the bid to be responsive. It is therefore recommended that your Board award the contract to W.A. Rasic Construction Company, Inc.

## OTHER AGENCY INVOLVEMENT/IMPACT

The U.S. Department of Agriculture (USDA) and State Water Board are jointly financing the Project and provide oversight of engineering and consulting agreements and construction contracts. Numerous other federal, state and local agencies are involved in the project. County Counsel has reviewed this item and is in concurrence with our recommendations.

## FINANCIAL CONSIDERATIONS

The Collection System Project (Areas B & C) engineer's estimate is \$22,425,000.00. The awarded cost of this contract is \$29,425,000.00 plus contingencies of \$2,942,500.00 for a total construction amount of \$32,367,500.00. While the low bid for Areas B & C is approximately 31% above the engineer's estimate for this portion of the work, the overall estimated cost of the Collection and Recycled Water Systems is within the budgeted amount. The overall Project budget approved by your Board on May 17, 2011, included \$104 million for the Collection and Recycled Water Systems portion of the Project. Today's recommendation for Areas B & C, combined with the Areas A & D contract and estimated costs for engineering and the Pump Stations contract, results in an approximately \$20 million savings (20%) from the originally allocated budget for this portion of the Project.

Please see Exhibit "A" for an estimated cost breakdown of the project.

## RESULTS

Approval of the recommended action will result in this project begin constructed, which continues the progress toward a community wastewater project for Los Osos. Completion of the Los Osos Wastewater Project will contribute to the County's goal of providing a safe and healthy community.

File: Contract No. 300448.08.01.BC

c: Accounting Officer  
Jin Brantley, HDR Engineering, Construction Manager  
W.A. Rasic Construction Company, Inc., Contractor

Reference: 12JUL10-C-9

## **ATTACHMENTS**

1. Vicinity Map
2. Exhibit A - Project Cost Estimates